

Capitol Area Development Authority Managed Property Disposition

PROPOSED LANGUAGE FOR LEGISLATION

8169.7. (a) The State of California owns Capitol Area Development Authority managed land in the Capitol Area that is leased through a development ground lease to a private entity or individual who owns the improvements on the State-owned land. The Department of General Services may sell all or a portion of the following properties located in the County of Sacramento, City of Sacramento, State of California, and leased by the Department of General Services to the Capitol Area Development Authority:

Parcel 1. Approximately .14 acres of land, not including improvements thereon, located at 1510 14th Street, and identified by Sacramento County Assessor Parcel Number 006-0224-026.

Parcel 2. Approximately .22 acres of land, not including improvements thereon, located at 1530 N Street and 1412 16th Street, and identified by Sacramento County Assessor Parcel Numbers 006-0231-008, and 009.

Parcel 3. Approximately .15 acres of land, not including improvements thereon, located at 1416 17th Street and 1631 O Street, and identified by Sacramento County Assessor Parcel Numbers 006-0233-012, and 013.

Parcel 4. Approximately .59 acres of land, not including improvements thereon, located at 1609 O Street, and identified by Sacramento County Assessor Parcel Number 006-0233-026.

Parcel 5. Approximately .07 acres of land, not including improvements thereon, located at 1612 14th Street, and identified by Sacramento County Assessor Parcel Number 006-0284-011.

Parcel 6. Approximately .30 acres of land, not including improvements thereon, located at 1616, 1622, and 1626 14th Street and 1325 and 1331 Q Street, and identified by Sacramento County Assessor Parcel Numbers 006-0284-012, 013, 014, 015, and 016.

(b) The properties shall be sold for market value, or upon terms and conditions as the Director of General Services, with concurrence of the Department of Finance, determines are in the best interest of the state.

(c) The Department of General Services may offer the property for sale pursuant to a public bidding process designed to obtain the highest return for the state. Any transaction based on such a bidding process shall be deemed to be the market value. The Director of General Services, at the Director's

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sole discretion, may reject all bids received if it is in the best interest of the State to do so.

(d) The Department of General Services shall be reimbursed for any cost or expense incurred in the disposition of any parcels from the sale proceeds.

(e) The Director of Finance may provide a loan from the General Fund in the amount of not more than two hundred thousand dollars (\$200,000) to augment Item 1760-001-0002 of Section 2 of the Budget Act of 2012 and may adjust the amounts appropriated in Item 1760-001-0002 of Section 2 of the Budget Act of 2012, for the purposes of supporting the management of the state's real property footprint reduction to accommodate any increase in workload or other costs to the Department of General Services in implementing this initiative.

(f) The disposition of the properties is made on an "as is" basis and any sale shall be exempt from Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources Code.

(g) As to any property sold pursuant to this section, the Director of General Services shall except and reserve to the state all mineral deposits possessed by the state, as defined in Section 6407 of the Public Resources Code, below a depth of 500 feet, without surface rights of entry. The rights to prospect for, mine, and remove the deposits shall be limited to those areas of the property conveyed that the director, after consultation with the State Lands Commission, determines to be reasonably necessary for the removal of the deposits.

(h) The disposition of the properties pursuant to this section does not constitute a sale or other disposition of surplus state property pursuant to Government Code Section 11011.

(i) The net proceeds of any moneys received from the disposition of any parcels described in this section shall be deposited in the General Fund or the Deficit Recovery Bond Fund as determined by the Department of Finance.